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January 4, 2002

Ms. Gloria Blue  
Executive Secretary  
Trade Policy Staff Committee  
Office of the USTR  
600 17<sup>th</sup> Street, NW  
Washington, DC 20508

**VIA ELECTRONIC MAIL**

[fr0001@ustr.gov](mailto:fr0001@ustr.gov)

**PUBLIC DOCUMENT**

Re: Written Comments Filed On Behalf of Dana Corporation Concerning What Action the President Should Take Under Section 203(a) of the Trade Act Regarding Imports of Certain Steel (TA-201-73)

Dear Ms. Blue:

This submission is filed on behalf of the Victor Reinz Division of Dana Corporation ("Dana") pursuant to the Federal Register notice entitled Trade Policy Staff Committee; Public Comments on the Potential Action Under Section 203 of the Trade Act of 1974 With Regard to Imports of Certain Steel, 66 Fed. Reg. 54321 (October 26, 2001), and its amendments found at 66 Fed. Reg. 59599 (November 29, 2001) and 66 Fed. Reg. 67349 (December 28, 2001). In specific, Dana believes that the President should take no action under § 203(a) of the Trade Act as it applies to imports of tin mill products, meeting ASTM standard A623-00, including electrolytic tin plate and tin mill black plate with a width of 37.5 inches or greater, plus or minus tolerances of 0.005 inches.

Dana produces gaskets for major automotive original equipment manufacturers. These gaskets are produced from stampings in widths ranging from 18.500 inches to 23.750 inches (plus relevant tolerances). However, mills will not produce strips of this material in widths as narrow as those used to make the stampings. Therefore, Dana has been forced to purchase material that is

double the width of the gaskets and have the material slit to the appropriate width. Therefore, Dana purchases tin mill products, meeting ASTM standard A623-00, including electrolytic tin plate and tin mill black plate with a width of 37.5 inches or greater, plus or minus tolerances of 0.005 inches.

Dana believes that the President should impose no remedy against imports of tin mill products, meeting ASTM standard A623-00, including electrolytic tin plate and tin mill black plate with a width of 37.5 inches or greater, plus or minus tolerances of 0.005 inches for two related reasons. First, Dana has not been able to source the vast majority of this material in the United States. There are very few mills in the United States that have the capability of producing electrolytic tin plate to a width of 37.5 inches. It is unclear that those few mills that can produce any of this material are able to produce the material to Dana's requirements and standards. Similarly, for the majority of Dana's use of tin mill black plate, the maximum widths available from United States mills will not allow Dana to produce its customers' gaskets in a cost-effective manner. Please see the submission of Berlin Metals LLC setting forth the extremely limited sourcing options for any of this material.

Further, Dana believes that the President should impose no remedy on this product because the finished product made from these tin mill products, meeting ASTM standard A623-00, including electrolytic tin plate and tin mill black plate with a width greater than 37.5 inches, plus or minus tolerances of 0.005 inches is Dana's sole option by which to produce merchandise in a commercially feasible manner. Dana is a major supplier to the large automotive manufacturers, and to severely disrupt the supply of this material where there either are extremely limited or no alternative domestic sourcing options simply puts end users and manufacturers using this material at risk of harm without assisting the United States steel industry. If the supply of this material were disrupted for a significant period of time, Dana would be unable to produce the gasket stampings made with this merchandise, and all of the major United States automobile manufacturers would have *their* production severely disrupted. The ripple effect of such action could affect multiple facilities and hundreds or thousands of American workers.

Third, Dana notes that there is no available substitute for the use of these coils in the required configuration. The tin mill products, meeting ASTM standard A623-00, including electrolytic tin plate and tin mill black plate with a width greater than 37.5 inches, plus or minus tolerances of 0.005 inches, as mentioned above, represent Dana's sole option by which to produce merchandise in a commercially feasible manner. There is simply no merchandise Dana could substitute that could be used as an alternative to this material. This lack of any viable substitute is a condition of competition in the United States and global steel industries which severely limits Dana's sourcing options for this material.

Finally, the domestic industry has advocated creating a "short supply" system as an alternative to granting exclusions from the scope of the case, or requesting that the President impose no remedy on certain products. This suggestion does not replace the need for exclusions or not imposing remedies. First, the business uncertainty of applying a short-supply system to imports of tin mill products, meeting ASTM standard A623-00, including electrolytic tin plate and tin mill black plate with a width of 37.5 inches or greater, plus or minus tolerances of 0.005 inches would severely disrupt Dana's ability to plan its business activities. In effect, this would be inequitably

imposing another burden on a company that is largely unable to purchase the material in question in the United States. Therefore, Dana requests that if no exclusion from the scope of this § 201 case is granted for the merchandise in question, a "short supply" mechanism not be utilized in lieu of recommending that the President impose no remedy on imports of this merchandise.

Thank you for your attention to this matter. Please feel free to contact us if you have any questions regarding this matter.

Very truly yours,

**BARNES, RICHARDSON & COLBURN**

By: *Kazumune V. Kano/DGF*

Kazumune V. Kano  
David G. Forgue

DAN 137  
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